R9050-5 U 2/92

TAX FOUNDATION

SPECIAL REPORT

May 1992

The 1992 Federal Tax Burden by State

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The federal tax burden will hit a record $1,049 billion in fiscal year 1992, or $4,114 for every person in the United States, according to a detailed analysis of the Fiscal Year 1993 Federal Budget. The 1993 burden is expected to reach $1,143 billion, a sharp 9 percent increase over the 1992 take. Much of this increased tax burden can be attributed to the Omnibus Budget Reconciliation Act of 1990 (OBRA'90), which is estimated to bring in an additional $164 billion over five years (FY'91–FY'95). *Figure 1* traces the growing per capita federal tax burden over the past decade.

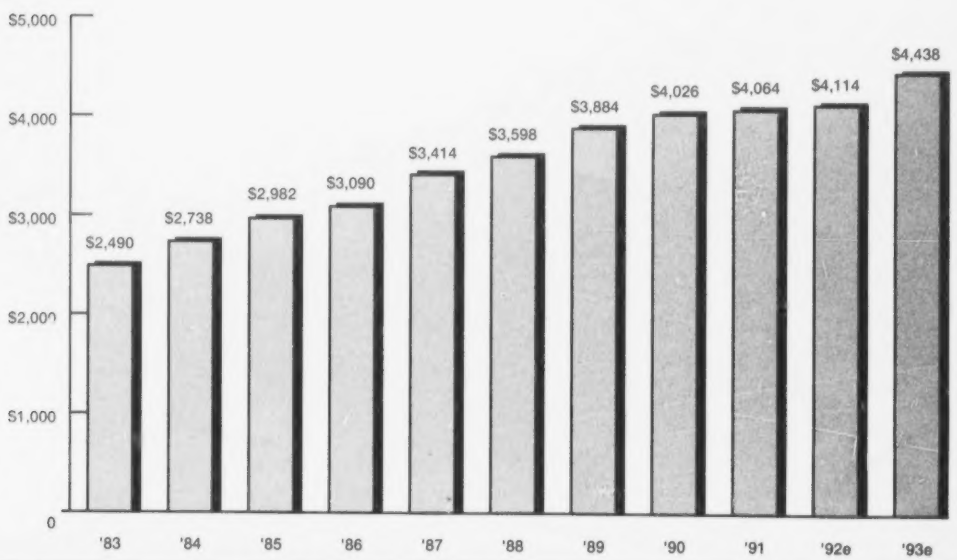
What Is Each State's Share of the Federal Tax Burden?

While the total tax burden figure provides a useful measure of the overall level of federal taxes on U.S. citizens, its impact is not uniform among the 50 states and the District of Columbia. From an economic standpoint, it is important to know how the burden of federal taxes is distributed among residents located in different states.

Unfortunately, the federal tax burden for each state cannot be determined directly.

Figure 1
Per Capita Total Federal Tax Burden
Fiscal Years 1983-1993

"The 1993 burden is expected to reach $1,143 billion, a sharp 9 percent increase over the 1992 take."



Source: Tax Foundation

Although tax collection data is published annually by the Internal Revenue Service (IRS), this data only shows the location of the IRS office where the taxes are paid. The true measure of the economic impact of taxation requires determining who, geographically, ends up paying the taxes. The Tax Foundation, in cooperation with other organizations, has developed a special methodology for determining the actual geographic origin of federal taxes by state. This state-by-state allocation shows the approximate federal tax cost for each state and helps to answer several important questions:

- Does the burden of federal taxes weigh more heavily in some states than in others?
- How do the federal taxes paid by individuals in a particular state compare with the actual benefits they receive from federal expenditures?

Table 1
Total Tax Burden by State
Fiscal Years 1991-1993
($Millions)

State	Total Burden			Federal Funds Burden[1]		
	1991	1992e	1993e	1991	1992e	1993e
U.S. Total	$1,026,910	$1,049,495	$1,145,568	$611,448	$618,463	$676,068
Alabama	12,459	12,741	13,863	7,065	7,149	7,813
Alaska	2,950	3,027	3,303	1,642	1,665	1,817
Arizona	12,590	12,650	13,774	7,324	7,399	8,093
Arkansas	6,873	7,032	7,652	3,590	3,627	3,968
California	137,101	140,123	152,654	82,532	83,516	91,275
Colorado	13,318	13,607	14,826	7,909	7,995	8,743
Connecticut	20,416	20,853	22,716	12,974	13,136	14,351
Delaware	3,436	3,518	3,830	1,824	1,846	2,017
Florida	53,616	54,612	59,521	35,000	35,324	38,656
Georgia	23,491	24,015	26,132	13,661	13,824	15,106
Hawaii	4,997	5,111	5,570	3,001	3,039	3,320
Idaho	3,153	3,225	3,514	1,727	1,745	1,909
Illinois	53,589	54,781	59,717	32,363	32,745	35,788
Indiana	19,881	20,312	22,110	11,748	11,883	12,989
Iowa	9,927	10,139	11,048	5,652	5,704	6,244
Kansas	9,884	10,097	11,003	5,772	5,830	6,378
Kentucky	11,325	11,578	12,606	6,498	6,571	7,184
Louisiana	12,620	12,909	14,058	7,139	7,221	7,894
Maine	4,265	4,356	4,746	2,484	2,509	2,745
Maryland	23,394	23,899	26,018	14,207	14,379	15,712
Massachusetts	30,006	30,659	33,424	18,332	18,541	20,268
Michigan	38,213	39,098	42,642	22,091	22,344	24,423
Minnesota	18,242	18,655	20,331	10,362	10,476	11,453
Mississippi	6,339	6,482	7,049	3,443	3,481	3,806
Missouri	19,015	19,410	21,133	11,214	11,326	12,392
Montana	2,547	2,599	2,852	1,425	1,435	1,572
Nebraska	5,882	6,007	6,540	3,335	3,369	3,686
Nevada	5,408	5,529	6,021	3,499	3,547	3,871
New Hampshire	5,073	5,179	5,638	3,162	3,199	3,495
New Jersey	45,413	46,421	50,610	27,185	27,494	30,054
New Mexico	4,499	4,600	5,006	2,504	2,532	2,769
New York	89,580	91,509	99,715	54,407	55,033	60,163
North Carolina	23,177	23,693	25,782	13,531	13,696	14,966
North Dakota	2,037	2,081	2,266	1,152	1,163	1,272
Ohio	41,779	42,729	46,556	23,979	24,256	26,516
Oklahoma	10,193	10,428	11,349	5,814	5,887	6,435
Oregon	10,886	11,137	12,149	6,089	6,151	6,728
Pennsylvania	49,426	50,540	55,102	29,032	29,359	32,100
Rhode Island	4,283	4,380	4,777	2,489	2,516	2,751
South Carolina	10,923	11,173	12,163	6,211	6,286	6,868
South Dakota	2,222	2,268	2,468	1,263	1,274	1,395
Tennessee	16,674	17,053	18,559	9,713	9,835	10,745
Texas	62,965	64,392	70,116	37,962	38,452	42,006
Utah	4,888	5,000	5,445	2,716	2,746	3,003
Vermont	2,121	2,167	2,362	1,255	1,268	1,387
Virginia	26,207	26,760	29,129	16,040	16,227	17,737
Washington	21,143	21,624	23,578	12,737	12,890	14,085
West Virginia	4,981	5,092	5,545	2,819	2,849	3,116
Wisconsin	18,563	18,985	20,694	10,545	10,659	11,655
Wyoming	1,728	1,766	1,922	1,011	1,023	1,118
Dist. of Columbia	3,160	3,231	3,522	1,937	1,961	2,142

Source: Computations of total tax burden by state by Tax Foundation, based on Fiscal Year 1993 Budget of the U.S.

[1] Excluding trust fund taxes.

Table 2
Per Capita Federal Tax Burden by State
Fiscal Years 1991-1993

State	Per Capita Burden 1991	1992e	1993e	State Rank '92 Total Taxes	Per Capita
U.S. Total	$4,064	$4,114	$4,438	—	—
Alabama	3,058	3,116	3,379	24	44
Alaska	5,139	5,111	5,406	46	5
Arizona	3,245	3,216	3,399	25	41
Arkansas	2,913	2,980	3,244	32	47
California	4,461	4,457	4,746	1	11
Colorado	3,963	3,997	4,299	22	21
Connecticut	6,145	6,243	6,764	16	1
Delaware	5,066	5,129	5,521	43	4
Florida	3,986	3,947	4,182	5	22
Georgia	3,537	3,555	3,804	12	33
Hawaii	4,416	4,455	4,790	37	12
Idaho	3,096	3,146	3,407	45	42
Illinois	4,671	4,776	5,207	4	9
Indiana	3,569	3,643	3,963	17	31
Iowa	3,584	3,678	4,029	30	30
Kansas	3,952	4,019	4,360	31	20
Kentucky	3,059	3,126	3,402	26	43
Louisiana	3,001	3,087	3,381	23	46
Maine	3,423	3,466	3,745	42	35
Maryland	4,799	4,842	5,207	13	8
Massachusetts	4,940	5,024	5,453	10	7
Michigan	4,094	4,188	4,568	9	16
Minnesota	4,118	4,182	4,527	20	18
Mississippi	2,448	2,499	2,712	33	51
Missouri	3,684	3,746	4,064	18	29
Montana	3,170	3,231	3,516	47	40
Nebraska	3,711	3,788	4,123	34	27
Nevada	4,261	4,183	4,375	35	17
New Hampshire	4,452	4,463	4,769	36	10
New Jersey	5,818	5,920	6,424	7	2
New Mexico	2,904	2,925	3,136	40	48
New York	4,946	5,041	5,481	2	6
North Carolina	3,432	3,468	3,729	14	34
North Dakota	3,186	3,263	3,561	50	38
Ohio	3,836	3,922	4,272	8	23
Oklahoma	3,213	3,275	3,551	29	37
Oregon	3,780	3,838	4,156	28	25
Pennsylvania	4,144	4,238	4,621	6	15
Rhode Island	4,222	4,293	4,657	41	13
South Carolina	3,079	3,115	3,355	27	45
South Dakota	3,173	3,231	3,509	48	39
Tennessee	3,381	3,437	3,719	21	36
Texas	3,613	3,630	3,884	3	32
Utah	2,769	2,787	2,986	39	50
Vermont	3,710	3,755	4,055	49	28
Virginia	4,144	4,171	4,475	11	19
Washington	4,241	4,268	4,579	15	14
West Virginia	2,796	2,883	3,167	38	49
Wisconsin	3,763	3,834	4,164	19	26
Wyoming	3,812	3,912	4,273	51	24
Dist. of Columbia	5,221	5,365	5,880	44	3

Source: Computations of total and per capita tax burden by state made by the Tax Foundation, based on Fiscal Year 1993 Budget of the U.S.

• Do particular types of federal taxes hit some states' residents harder than others?[1]

• What will be the approximate cost to the residents of any state resulting from a federal tax increase or the institution of a new federal program?

The State-by-State Burden

California, as the most populous state in the Union, bears the heaviest burden of federal taxes by a large margin. For 1992, Californians alone will contribute over $140 billion to finance the federal government, or 13.4 percent of all taxes collected. New York has the next largest , with a $91.5 billion (8.7 percent) tax bill. In contrast to the more than one-fifth combined share of these two states, Wyoming's $1.7 billion in federal taxes amounts to less than one five-hundredth (0.2 percent) of the total. *Table 1* shows the amount of federal taxes originating in each state for fiscal years 1991 through 1993, in both total terms and by federal funds taxes (which exclude trust fund taxes such as social security).

Rankings Per Capita by State

By adjusting the state tax burdens to take into account their respective populations, however, we get a different picture as to which states' residents bear the heaviest load. Connecticut ranks as the most taxed state per capita, yielding $6,243 in federal tax revenues for each resident during 1992. Five other states exceeded $5,000 in per capita federal taxes — New Jersey, Delaware, Alaska, New York, and Massachusetts. These same high-tax states have witnessed an $80 average per person increase in federal taxes from 1991 to 1992. The following ten states ranked the highest in taxes per capita in 1992:

State	Amount	Rank
Connecticut	$6,243	1
New Jersey	$5,920	2
Dist. of Col.	$5,365	3
Delaware	$5,129	4
Alaska	$5,111	5
New York	$5,041	6
Massachusetts	$5,024	7
Maryland	$4,842	8
Illinois	$4,776	9
New Hampshire	$4,463	10

By comparison, taxpayers in the ten lowest per capita tax states paid an average of $2,966 in 1992. The magnitude of difference among states can be seen when comparing the citizens of Mississippi,

who paid $2,499, to those of Connecticut, who paid that, *plus* $3,744, or almost two and a half times as much in federal taxes. The ten states with the smallest per capita burdens are shown below:

State	Amount	Rank
Mississippi	$2,499	51
Utah	$2,787	50
West Virginia	$2,883	49
New Mexico	$2,925	48
Arkansas	$2,925	47
Louisiana	$3,087	46
South Carolina	$3,115	45
Alabama	$3,116	44
Kentucky	$3,126	43
Idaho	$3,146	42

Per capita tax burdens for all states, and their rankings for the current year (FY'92) are shown in *Table 2* and *Figure 2*.

A Historical Perspective

Since 1983, the federal tax burden on U.S. citizens has climbed steadily at a 7.8 percent annual average. The average American who paid $2,490 per capita in 1983 will pay an estimated $4,438 by 1993, an increase of $1,948 (see *Figure 1*). Alaska, which ranked number one a decade ago with a tax burden of $4,173, fell to number five by 1992, leaving Connecticut to take over the top spot. Most of the states ranking low in per capita federal tax payments have remained there, as illustrated by Mississippi, which has held the bottom slot throughout the entire 11-year period examined in this report. Per capita tax burdens for each state from 1983 to 1993 are shown in *Table 3*.

Each state's historical share of the total tax burden is shown in Tables 4 and 5, in dollar terms and by percentage of the total burden, respectively. A reduced percentage share for a particular state does not indicate a smaller tax burden, only that the state's growth in tax burden is less than average. However, in combination with population growth factors, this can affect a state's relative ranking. For example,

Figure 2
Per Capita Federal Tax Burden by State
Fiscal Year 1992

Source: Tax Foundation

Table 3
Total Federal Tax Burden Per Capita by State
Fiscal Years 1983-1993

Year	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992e	1993e
U.S. Total	$2,490	$2,738	$2,982	$3,090	$3,414	$3,598	$3,884	$4,026	$4,064	$4,114	$4,438
Alabama	1,819	2,094	2,234	2,311	2,505	2,622	2,821	2,896	3,058	3,116	3,379
Alaska	4,173	4,340	4,676	4,377	4,358	4,163	4,667	5,289	5,139	5,111	5,406
Arizona	2,198	2,365	2,590	2,725	2,991	3,142	3,309	3,333	3,245	3,216	3,399
Arkansas	1,714	1,960	2,148	2,136	2,371	2,446	2,655	2,751	2,913	2,980	3,244
California	2,742	3,012	3,324	3,422	3,806	4,006	4,331	4,494	4,461	4,457	4,746
Colorado	2,773	2,911	3,115	3,210	3,406	3,447	3,660	3,806	3,963	3,997	4,299
Connecticut	3,596	3,807	4,215	4,485	5,124	5,575	6,252	6,436	6,145	6,243	6,764
Delaware	2,801	3,050	3,239	3,590	3,890	4,283	4,629	4,851	5,066	5,129	5,521
Florida	2,388	2,630	2,927	3,031	3,409	3,692	3,908	4,045	3,986	3,947	4,182
Georgia	2,046	2,325	2,613	2,678	3,029	3,203	3,424	3,507	3,537	3,555	3,804
Hawaii	2,492	2,694	2,819	2,878	3,206	3,414	3,781	4,115	4,416	4,455	4,790
Idaho	1,856	2,056	2,108	2,295	2,428	2,509	2,698	2,851	3,096	3,146	3,407
Illinois	2,860	3,045	3,343	3,425	3,789	3,986	4,375	4,547	4,671	4,776	5,207
Indiana	2,296	2,517	2,698	2,771	3,012	3,186	3,409	3,507	3,569	3,643	3,963
Iowa	2,265	2,498	2,765	2,644	2,887	3,052	3,261	3,419	3,584	3,678	4,029
Kansas	2,609	2,859	3,063	3,039	3,349	3,382	3,623	3,688	3,952	4,019	4,360
Kentucky	1,898	2,100	2,250	2,248	2,435	2,612	2,783	2,916	3,059	3,126	3,402
Louisiana	2,344	2,439	2,685	2,530	2,564	2,520	2,725	2,785	3,001	3,087	3,381
Maine	1,910	2,174	2,356	2,429	2,769	3,095	3,358	3,458	3,423	3,466	3,745
Maryland	2,825	3,131	3,475	3,791	4,079	4,325	4,694	4,870	4,799	4,842	5,207
Massachusetts	2,750	3,175	3,537	3,731	4,254	4,668	5,149	5,185	4,940	5,024	5,453
Michigan	2,412	2,708	2,872	3,154	3,609	3,716	3,966	4,104	4,094	4,188	4,568
Minnesota	2,448	2,735	2,977	3,058	3,412	3,690	3,902	4,043	4,118	4,182	4,527
Mississippi	1,630	1,777	1,885	1,862	2,024	2,096	2,276	2,311	2,448	2,499	2,712
Missouri	2,278	2,594	2,814	2,941	3,202	3,380	3,544	3,637	3,684	3,746	4,064
Montana	2,138	2,364	2,452	2,401	2,621	2,634	2,807	3,031	3,170	3,231	3,516
Nebraska	2,251	2,515	2,751	2,786	2,980	3,114	3,277	3,457	3,711	3,788	4,123
Nevada	2,690	2,866	3,119	3,241	3,624	3,838	4,159	4,592	4,261	4,183	4,375
New Hampshire	2,477	2,855	3,135	3,414	3,888	4,356	4,703	4,722	4,452	4,463	4,769
New Jersey	3,164	3,624	3,966	4,202	4,811	5,252	5,780	5,982	5,818	5,920	6,424
New Mexico	2,007	2,180	2,364	2,354	2,538	2,553	2,719	2,783	2,904	2,925	3,136
New York	2,734	3,056	3,383	3,602	4,083	4,360	4,779	4,991	4,946	5,041	5,481
North Carolina	1,919	2,199	2,450	2,521	2,800	2,989	3,237	3,329	3,432	3,468	3,729
North Dakota	2,333	2,706	2,759	2,591	2,763	2,831	2,862	3,029	3,186	3,263	3,561
Ohio	2,412	2,660	2,851	2,986	3,284	3,449	3,689	3,776	3,836	3,922	4,272
Oklahoma	2,525	2,544	2,732	2,716	2,853	2,788	2,959	3,061	3,213	3,275	3,551
Oregon	2,249	2,472	2,542	2,708	2,982	3,165	3,423	3,603	3,780	3,838	4,156
Pennsylvania	2,471	2,712	2,889	3,066	3,365	3,592	3,873	4,051	4,144	4,238	4,621
Rhode Island	2,402	2,777	3,016	3,150	3,508	3,853	4,193	4,335	4,222	4,293	4,657
South Carolina	1,797	2,014	2,212	2,220	2,472	2,636	2,843	2,847	3,079	3,115	3,355
South Dakota	1,911	2,117	2,329	2,230	2,443	2,583	2,709	2,903	3,173	3,231	3,509
Tennessee	1,967	2,278	2,431	2,501	2,754	2,960	3,183	3,280	3,381	3,437	3,719
Texas	2,722	2,813	3,115	3,123	3,235	3,194	3,410	3,547	3,613	3,630	3,884
Utah	1,869	2,000	2,145	2,181	2,323	2,392	2,568	2,675	2,769	2,787	2,986
Vermont	2,039	2,246	2,394	2,567	2,942	3,209	3,511	3,716	3,710	3,755	4,055
Virginia	2,516	2,822	3,042	3,158	3,514	3,748	4,052	4,183	4,144	4,171	4,475
Washington	2,738	2,901	2,972	3,076	3,460	3,575	3,886	4,078	4,241	4,268	4,579
West Virginia	1,947	2,095	2,128	2,140	2,330	2,395	2,541	2,599	2,796	2,883	3,167
Wisconsin	2,317	2,545	2,735	2,811	3,144	3,310	3,529	3,753	3,763	3,834	4,164
Wyoming	2,931	2,889	2,854	2,978	3,014	2,880	3,189	3,402	3,812	3,912	4,273
Dist. of Columbia	3,290	3,799	4,170	4,270	4,757	4,995	5,292	5,396	5,221	5,365	5,880

Source: Total U.S. taxes as shown in the Budget of the U.S. Government for Fiscal Years 1985 through 1993. The state-by-state per capita tax burdens were computed by the Tax Foundation.

Table 4
Total Federal Tax Burden by State
Fiscal Years 1983-1993
($Millions)

Year	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992e	1993e
Total	$580,619	$645,043	$709,400	$744,578	$830,536	$884,364	$963,376	$999,473	$1,026,910	$1,049,495	$1,143,368
Alabama	7,204	8,276	8,996	9,340	10,209	10,775	11,636	11,877	12,459	12,741	13,863
Alaska	1,882	2,266	2,355	2,394	2,419	2,269	2,518	2,841	2,950	3,027	3,303
Arizona	6,391	7,257	8,271	8,944	10,209	10,964	11,867	12,079	12,390	12,650	13,774
Arkansas	3,929	4,557	5,011	5,038	5,633	5,852	6,372	6,568	6,873	7,032	7,652
California	68,758	77,503	86,183	92,012	104,606	113,203	125,050	132,189	137,101	140,123	152,654
Colorado	8,587	9,450	10,178	10,588	11,322	11,564	12,257	12,684	13,318	13,607	14,826
Connecticut	10,754	11,873	13,282	14,281	16,402	17,979	20,295	20,728	20,416	20,853	22,716
Delaware	1,692	1,845	1,994	2,251	2,486	2,788	3,090	3,276	3,436	3,518	3,830
Florida	25,429	29,189	33,177	35,440	40,820	45,687	49,468	52,191	53,616	54,612	59,521
Georgia	11,658	13,523	15,395	16,266	18,782	20,286	22,075	22,744	23,491	24,015	26,132
Hawaii	2,502	2,813	2,974	3,082	3,449	3,755	4,211	4,600	4,997	5,111	5,570
Idaho	1,804	2,062	2,179	2,332	2,455	2,521	2,723	2,883	3,153	3,225	3,514
Illinois	32,758	34,703	38,475	39,545	43,850	46,237	50,894	52,589	53,589	54,781	59,717
Indiana	12,544	13,620	14,915	15,229	16,590	17,634	18,959	19,457	19,881	20,312	22,110
Iowa	6,572	7,164	8,078	7,605	8,208	8,613	9,210	9,586	9,927	10,139	11,048
Kansas	6,321	6,954	7,480	7,491	8,285	8,424	9,090	9,234	9,884	10,097	11,003
Kentucky	6,962	7,770	8,502	8,396	9,108	9,755	10,391	10,779	11,325	11,578	12,606
Louisiana	10,348	11,023	11,522	11,336	11,560	11,240	11,993	12,057	12,620	12,909	14,058
Maine	2,167	2,489	2,752	2,845	3,268	3,702	4,076	4,221	4,265	4,356	4,746
Maryland	12,093	13,477	15,193	16,764	18,351	19,810	21,913	22,893	23,394	23,899	26,018
Massachusetts	15,931	18,155	20,451	21,764	24,874	27,402	30,403	30,446	30,006	30,659	33,424
Michigan	21,850	24,014	26,213	28,534	32,959	34,147	36,626	37,674	38,213	39,098	42,642
Minnesota	10,161	11,307	12,487	12,880	14,450	15,751	16,906	17,545	18,242	18,655	20,331
Mississippi	4,172	4,610	4,948	4,896	5,345	5,531	5,988	6,020	6,339	6,482	7,049
Missouri	11,303	12,820	14,124	14,838	16,292	17,333	18,307	18,671	19,015	19,410	21,133
Montana	1,723	1,948	2,046	2,000	2,160	2,139	2,265	2,425	2,547	2,599	2,832
Nebraska	3,582	4,009	4,433	4,491	4,774	4,972	5,261	5,529	5,882	6,007	6,540
Nevada	2,448	2,677	3,005	3,124	3,580	3,988	4,519	5,232	5,408	5,529	6,021
New Hampshire	2,380	2,767	3,142	3,458	4,056	4,691	5,195	5,278	5,073	5,179	5,638
New Jersey	23,602	26,956	29,802	31,909	36,840	40,506	44,851	46,055	45,413	46,421	50,610
New Mexico	2,767	3,137	3,409	3,481	3,822	3,904	4,164	4,282	4,499	4,600	5,006
New York	48,355	53,579	59,251	64,161	72,710	77,852	85,754	88,884	89,580	91,509	99,715
North Carolina	11,636	13,478	15,225	15,939	17,920	19,390	21,232	21,914	23,177	23,693	25,782
North Dakota	1,577	1,859	1,889	1,790	1,887	1,911	1,915	1,981	2,037	2,081	2,266
Ohio	26,012	28,197	30,657	32,030	35,304	37,174	40,057	40,814	41,779	42,729	46,556
Oklahoma	8,154	8,692	9,101	9,106	9,548	9,219	9,666	9,836	10,193	10,428	11,349
Oregon	5,965	6,546	7,047	7,298	8,074	8,659	9,522	10,131	10,886	11,137	12,149
Pennsylvania	29,305	31,941	34,297	36,306	40,029	42,896	46,530	48,353	49,426	50,540	55,102
Rhode Island	2,308	2,635	2,896	3,059	3,434	3,818	4,184	4,307	4,283	4,380	4,777
South Carolina	5,806	6,662	7,391	7,523	8,440	9,141	9,979	10,025	10,923	11,173	12,163
South Dakota	1,320	1,478	1,641	1,586	1,737	1,857	1,941	2,065	2,222	2,268	2,468
Tennessee	9,188	10,670	11,605	11,984	13,315	14,475	15,690	16,167	16,674	17,053	18,559
Texas	42,581	46,162	50,557	52,461	55,196	54,847	58,498	60,804	62,965	64,392	70,116
Utah	2,965	3,384	3,669	3,666	3,940	4,095	4,409	4,597	4,888	5,000	5,445
Vermont	1,056	1,184	1,286	1,384	1,603	1,775	1,974	2,109	2,121	2,167	2,362
Virginia	13,939	15,802	17,305	18,228	20,565	22,428	24,690	25,614	26,207	26,760	29,129
Washington	11,727	12,607	13,232	13,718	15,607	16,431	18,296	19,516	21,143	21,624	23,578
West Virginia	3,790	4,088	4,183	4,135	4,459	4,524	4,746	4,752	4,981	5,092	5,545
Wisconsin	11,085	12,019	13,153	13,448	15,080	15,957	17,187	18,145	18,563	18,985	20,694
Wyoming	1,504	1,540	1,537	1,537	1,543	1,420	1,530	1,601	1,728	1,766	1,922
Dist. of Columbia	2,070	2,310	2,506	2,660	2,973	3,097	3,252	3,207	3,160	3,231	3,522

Source: Total U.S. taxes as shown in the Budget of the U.S. Government for Fiscal Years 1983 through 1993. The state-by-state total tax burden was computed by the Tax Foundation.

while Table 5 shows California's share of the tax burden growing from 11.8 percent to 13.4 percent during the 1983 to 1992 period, its population growth rate kept its per capita burden ranking at eleventh. Texas, however, which has seen its tax share percentage fall from 6.9 percent of all taxes in 1983 to 6.1 percent by 1992, now ranks 32nd in per capita burden, compared to 14th in 1983.

Tax Burden Outlook

As estimates for 1993 indicate, tax burdens can be expected to rise significantly due to a combination of the tax increases enacted under OBRA'90 and modest economic growth. Without significant reductions in projected federal deficit spending of well over $300 billion for the next several years, additional pressures to raise taxes

Table 5
Percent of Total Federal Tax Burden by State
Fiscal Years 1983-1993

Year	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992e	1993e
U.S. Total	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Alabama	1.24	1.28	1.27	1.25	1.23	1.22	1.21	1.19	1.21	1.21	1.21
Alaska	.32	.35	.33	.32	.29	.26	.26	.28	.29	.29	.29
Arizona	1.10	1.13	1.17	1.20	1.23	1.24	1.23	1.21	1.21	1.21	1.20
Arkansas	.68	.71	.71	.68	.68	.66	.66	.66	.67	.67	.67
California	11.84	12.02	12.15	12.36	12.59	12.85	12.98	13.23	13.35	13.35	13.35
Colorado	1.48	1.47	1.43	1.42	1.36	1.31	1.27	1.27	1.30	1.30	1.30
Connecticut	1.85	1.84	1.87	1.92	1.97	2.03	2.11	2.07	1.99	1.99	1.99
Delaware	.29	.29	.28	.30	.30	.32	.32	.33	.33	.34	.33
Florida	4.38	4.53	4.68	4.76	4.91	5.17	5.13	5.22	5.22	5.20	5.21
Georgia	2.01	2.10	2.17	2.18	2.26	2.29	2.29	2.28	2.29	2.29	2.29
Hawaii	.43	.44	.42	.41	.42	.42	.44	.46	.49	.49	.49
Idaho	.31	.32	.31	.31	.30	.29	.28	.29	.31	.31	.31
Illinois	5.64	5.38	5.42	5.31	5.28	5.23	5.28	5.26	5.22	5.22	5.22
Indiana	2.16	2.11	2.10	2.05	2.00	1.99	1.97	1.95	1.94	1.94	1.93
Iowa	1.13	1.11	1.14	1.02	.99	.97	.96	.96	.97	.97	.97
Kansas	1.09	1.08	1.05	1.01	1.00	.95	.94	.92	.96	.96	.96
Kentucky	1.20	1.20	1.20	1.13	1.10	1.10	1.08	1.08	1.10	1.10	1.10
Louisiana	1.78	1.71	1.62	1.52	1.39	1.27	1.24	1.21	1.23	1.23	1.23
Maine	.37	.39	.39	.38	.39	.42	.42	.42	.42	.42	.42
Maryland	2.08	2.09	2.14	2.25	2.21	2.24	2.27	2.29	2.28	2.28	2.28
Massachusetts	2.74	2.81	2.88	2.92	2.99	3.10	3.16	3.05	2.92	2.92	2.92
Michigan	3.76	3.72	3.70	3.83	3.97	3.86	3.80	3.77	3.72	3.73	3.73
Minnesota	1.75	1.75	1.76	1.73	1.74	1.78	1.75	1.76	1.78	1.78	1.78
Mississippi	.72	.71	.70	.66	.64	.63	.62	.60	.62	.62	.62
Missouri	1.95	1.99	1.99	1.99	1.96	1.96	1.90	1.87	1.85	1.85	1.85
Montana	.30	.30	.29	.27	.26	.24	.24	.24	.25	.25	.25
Nebraska	.62	.62	.62	.60	.57	.56	.55	.55	.57	.57	.57
Nevada	.42	.42	.42	.42	.43	.45	.47	.52	.53	.53	.53
New Hampshire	.41	.43	.44	.42	.49	.53	.54	.53	.49	.49	.49
New Jersey	4.06	4.18	4.20	4.29	4.44	4.58	4.66	4.61	4.42	4.42	4.43
New Mexico	.48	.49	.48	.47	.46	.44	.43	.43	.44	.44	.44
New York	8.33	8.31	8.35	8.62	8.75	8.80	8.90	8.89	8.72	8.72	8.72
North Carolina	2.00	2.09	2.15	2.14	2.16	2.19	2.20	2.19	2.26	2.26	2.25
North Dakota	.27	.29	.27	.24	.23	.22	.20	.20	.20	.20	.20
Ohio	4.48	4.37	4.32	4.30	4.25	4.20	4.16	4.08	4.07	4.07	4.07
Oklahoma	1.40	1.35	1.28	1.22	1.15	1.04	1.00	.98	.99	.99	.99
Oregon	1.03	1.01	.99	.98	.97	.98	.99	1.01	1.06	1.06	1.06
Pennsylvania	5.05	4.95	4.83	4.88	4.82	4.85	4.83	4.84	4.81	4.82	4.82
Rhode Island	.40	.41	.41	.41	.41	.43	.43	.43	.42	.42	.42
South Carolina	1.00	1.03	1.04	1.01	1.02	1.03	1.04	1.00	1.06	1.06	1.06
South Dakota	.23	.23	.23	.21	.21	.21	.20	.21	.22	.22	.22
Tennessee	1.58	1.65	1.64	1.61	1.60	1.64	1.63	1.62	1.62	1.62	1.62
Texas	7.33	7.16	7.13	7.05	6.65	6.20	6.07	6.08	6.13	6.14	6.13
Utah	.51	.52	.52	.49	.47	.46	.46	.46	.48	.48	.48
Vermont	.18	.18	.18	.19	.19	.20	.20	.21	.21	.21	.21
Virginia	2.40	2.45	2.44	2.45	2.48	2.54	2.56	2.56	2.55	2.55	2.55
Washington	2.02	1.95	1.87	1.84	1.88	1.86	1.90	1.95	2.06	2.06	2.06
West Virginia	.65	.63	.59	.56	.54	.51	.49	.48	.49	.49	.48
Wisconsin	1.91	1.86	1.85	1.81	1.82	1.80	1.78	1.82	1.81	1.81	1.81
Wyoming	.26	.24	.22	.21	.19	.16	.16	.16	.17	.17	.17
Dist. of Columbia	.36	.36	.35	.36	.36	.35	.34	.32	.31	.31	.31

Source: Total U.S. taxes as shown in the Budget of the U.S. Government for Fiscal Years 1983-1993. The state-by-state total tax burden was computed by the Tax Foundation.

will mount. These factors do not augur well for the possibility of a decline in the federal tax burden in the near future.

Tax Burden Allocation Description

Since information is not directly available to determine the final burden, or incidence, of federal taxes by state, it is necessary to estimate this incidence using other available data. The Tax Foundation's methodology utilizes selected data series available by state that closely approximate the actual impact of each tax on residents of the states. This methodology prevents the problems associated with simply using tax collection data for state tax allocations.

For example, the concentration of distilleries in Kentucky, wineries in California, and breweries in New York and Wisconsin would distort the apparent impact of alcohol-related taxes on different parts of the country if the large amount of tax collections in these states were used to estimate who pays these taxes. Instead, the Tax Foundation methodology uses, in part, the actual amount of alcohol consumption in each state as its base to allocate the incidence of these taxes. Using different bases or combinations of bases (shown in *Table 6*), all other major federal taxes are allocated to the states using this same basic process.[2]

[1] Additional information on tax burden by type of tax and state is available from the Tax Foundation.

[2] Further explanation of the methodology - its derivation, uses, and limitations - is contained in Tax Foundation's Research Aid No. 5, *Federal Tax Burdens in States and Metropolitan Areas*, 36 pp., $10 + $2 p/h.

Table 6
Bases for Allocating the Federal Tax Burden by State

Tax	Base
Federal Fund Taxes	
Individual income:	Individual income tax liability (1989) adjusted by 1990 changes in personal income. (Internal Revenue Service)
Corporate income:	1/2 personal income[a] (1990) 1/2 property income[b] (1990) (Department of Commerce)
Alcoholic beverages:	1/2 total adult population, July 1, 1989 1/2 consumption data (1990) (U.S. Brewers Association)
Tobacco:	Total adult population, July 1, 1989
Estate and gift:	Six-year total of estate and gift tax collections (1985-90) (Internal Revenue Service)
Other excises and customs:	Disposable personal income (1990) (Department of Commerce)
Trust Fund Taxes:	
Old-age, survivors, disability, and hospitalization insurance; railroad retirement; and Federal unemployment insurance:	1/2 personal income (1990) 1/2 personal contributions for social insurance[c] (1990) (Department of Commerce)
State unemployment insurance taxes deposited with Treasury:	Unemployment tax collections (1990) (Department of Labor)
Highway trust fund: Gasoline, diesel, special fuels, lubricating oil, and heavy vehicle use:	Motor fuel excise data (1990) (Department of Transportation)
Trucks and buses, parts and accessories, tires, tubes, and tread rubber:	Truck and bus excise data (1990) (Department of Transportation)
Airport and airway trust fund, black lung disability trust fund, and other trust funds:	Disposable personal income (1990) (Department of Commerce)

[a] Personal income by place of residence.
[b] Largely intangible interest and dividends income.
[c] Adjusted for place of residence.

Source: Tax Foundation.

The Tax Foundation, a nonprofit, nonpartisan research and public education organization, has been monitoring tax and fiscal activities at all levels of government since 1937.

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